

FISCAL MEMORANDUM
SB 1073 – HB 1908

April 13, 2007

SUMMARY OF AMENDMENT (006115): Authorizes the transfer of Group I service credit earned as a general session judge to Group IV in the Tennessee Consolidated Retirement System.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Govt. Expenditures* - \$2,203,000 Annual Amortized Cost
Increase Local Govt. Revenues – Exceeds \$1,000,000/Permissive

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase Local Govt. Expenditures* - \$549,000 Annual Amortized Cost

Assumptions applied to amendment:

- An increase in lump sum pension liability of approximately \$5.6 million.
- Estimated annual cost to amortize the additional liability over 20 years is \$549,000.
- The average increase in pension value per judge is \$267,000.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/dec

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